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CENTRAL INTELLIGENCE BULLETIN



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Next 1 Page(s) In Document Exempt

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DAILY BRIEF

I. THE COMMUNIST BLOC

sd *Soviet summit tactics: As of 27 June, the Soviet delegates for the Geneva conference had not yet requested visas to Switzerland, although the Soviet Government had earlier told the Swiss Embassy such a request might soon be forthcoming. On 25 June Khrushchev told the Norwegian ambassador that the USSR still wants a summit conference but can wait since the United States does not want one. The same day in London, Soviet Ambassador Malik, showing no awareness of the aide-memoire issued a few hours later, expressed great Soviet interest in a summit conference and discussed with Foreign Minister Lloyd the prospects for settling the summit agenda deadlock.

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II. ASIA-AFRICA

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ok Indonesia: President Sukarno's appointment of the two most prominent leftists in the cabinet to the preparatory committee of the National Planning Board further diminishes the prospects for any reduction in leftist influence which might have resulted from the recent cabinet reshuffle. Sukarno considers the task of the board, which will be to deal with economic problems, as one of the most important elements of his program. [REDACTED]

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ok Philippines: The vice mayor of Manila is reported planning to head what he describes as "a trade and good-will" group to Communist China. President Garcia is presumably aware of the projected trip. [REDACTED]
(Page 4)

25X1

ok Afghanistan-USSR: The Soviet Union is again pressing Afghanistan to speed up use of the \$100,000,000 Soviet line of credit. The USSR is offering machinery, steel, and consumer goods for resale in Afghanistan to generate local funds for use in Soviet-sponsored projects. [REDACTED]
[REDACTED]

25X1

25X1 Iran - Kurds: Several hundred Kurdish tribesmen have attacked an Iranian village near the Iraqi frontier. Although this incident may be due to local conditions, other reports have indicated UAR interest in developing Kurdish nationalism aimed at embarrassing Iraq. [REDACTED]
(Map)

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28 June 58

DAILY BRIEF

ii

25X1

Next 1 Page(s) In Document Exempt

Indonesia

The composition of the five-man preparatory committee for Indonesia's projected National Planning Board is weighted toward the left, canceling prospects for non-Communist gains as a result of the 25 June cabinet reshuffle. The committee, established by presidential decree, includes the cabinet's two most prominent leftists--A. M. Hanafi and Chairul Saleh--and Mohammad Yamin, the new cabinet minister long known for his anti-Western views. Pro-Communist Hanafi, whose Ministry of Manpower Mobilization was abolished in the reshuffle, now may be able to transfer his former subordinates to the staff of the preparatory committee. The chairman of the National Planning Board itself reportedly will be Deputy Primer Minister Hardi of the non-Communist National party.

The board, which will supervise the country's economy, is regarded by President Sukarno as an essential element of his program of "guided democracy." Presumably its tasks will include providing for the administration of extensive Dutch interests taken over by the Indonesian Government in the December 1957 anti-Dutch campaign, increased agricultural production, and national self-sufficiency in various consumer items.

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Vice Mayor of Manila Considering Trip to Communist China

The vice mayor of Manila, Jesus Marcos Roces, is [redacted] planning a trade and goodwill mission to Communist China in early July. Roces, who received a Chinese invitation apparently after prolonged personal efforts, says he will head a delegation composed of at least one Philippine businessman and eight Manila newspapermen, and that he hopes to have the approval of President Garcia.

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Garcia has on several occasions publicly stated his opposition to economic or diplomatic relations with the Chinese Communists. However, should he be criticized for failing to obtain as much financial aid during his trip to the United States as he had promised, he might be willing tacitly to approve the Roces visit.

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Although there appears to be little economic basis for significant Philippine trade with Communist China, there is considerable interest on the part of Philippine businessmen who hope to reduce dependence on the American market. Roces may primarily be seeking personal publicity in connection with his aspirations to run for mayor of Manila in the 1959 elections.

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Afghan Use of Soviet \$100,000,000 Credit Hastened

The USSR is attempting to hasten Afghan use of the Soviet \$100,000,000 credit by offering machinery, steel, and consumer goods for resale in Afghanistan to generate local funds for use on Soviet projects.

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The Afghan Government has committed through contracts about \$25,000,000 of the \$100,000,000 credit. It has, however, postponed a number of Soviet projects because of a shortage of domestic currency to meet the local costs of construction.

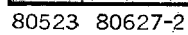
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The Soviet offer may have come at this time in order to counter the effect of Daud's current visit to the United States and Afghanistan's signature on 30 May of an agreement with Pakistan intended to facilitate the movement of Afghan foreign trade through Pakistan. This agreement is to be followed by American assistance for paving roads and extending a railhead across the Afghan border from Pakistan.

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Kurdish Tribesmen Attack Iranian Town

Several hundred Kurdish tribesmen, possibly operating from a base in Iraq, attacked the town of Paveh in the mountains of western Iran north of Kermanshah on 21 June. The attackers are known to be members of the Lahun tribe, led by Mohamad Amin Khan Lahuni, [REDACTED]

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[REDACTED] Earlier in June, members of the same tribe ambushed a bus, in which four passengers were killed. Cartridges used by the attackers were of Soviet origin, possibly left behind by Soviet troops after World War II.

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In defense against further violence the small gendarmerie posts in the area have been consolidated, and the Iranian Army has been requested to send a battalion. Units of the air force are on a stand-by alert to support the ground units if needed, and howitzers have been moved from Tehran to Kermanshah.

A Kurdish leader has stated that the uprising was a demonstration against the Iranian Army, which "treats tribesmen like animals and takes away their possessions through bribery, corruption, and coercion." Prime Minister Eqbal and his cabinet began a five-week inspection tour of Kurdish areas on 26 June to discuss tribal problems.

In view of Kurdish-language broadcasts recently initiated by the UAR designed to embarrass Iraq and rumors that Nasir recently met with Kurdish leaders in Syria, the Iranian Government can be expected to take severe preventive measures against any tribal lawlessness. The US air attaché in Tehran believes the situation could become serious if the Kurds receive surreptitious support.

In early 1956, Iranian government forces waged a campaign in the same area to control the Javanrudi Kurds and at that time were successful. The Javanrudis were suspected of having contact with the Barzani tribe in northeastern Iraq, whose former leader, Mullah Mustafa Barzani, helped organize a Soviet-sponsored Kurdish republic in Iran in 1945-46. [REDACTED]

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